



HEALTH AFFAIRS

## THE ASSISTANT SECRETARY OF DEFENSE

1200 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1200

JUN 16 2006

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (M&RA)  
ASSISTANT SECRETARY OF THE NAVY (M&RA)  
ASSISTANT SECRETARY OF THE AIR FORCE (M&RA)

SUBJECT: Implementation of Enhancements to Exemption for Members with Combat-Related Injuries from the Requirement for Payment of Subsistence Charges while Hospitalized

The enactment of Public Law 108-106 of November 6, 2003, provided that members of the Armed Forces who suffered combat-related injuries on or after September 11, 2001, in support of Operation Iraq Freedom (OIF), Operating Enduring Freedom (OEF), or any other operation or area designated by the Secretary of Defense as a combat operation or in an area designated as a combat zone, and were hospitalized for their injuries, shall not be required to reimburse the government for subsistence charges while hospitalized. This provision was effective from September 11, 2001.

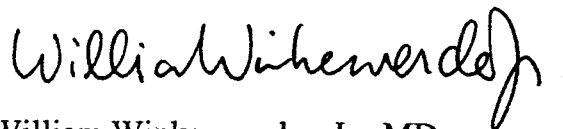
Section 1112 of the Emergency Supplemental Appropriations Act for Defense and Reconstruction of Iraq and Afghanistan (Public Law 108-106) provides that Service Secretaries shall:

1. Exempt from subsistence charges any member of the uniformed services hospitalized on or after September 11, 2001 due to an injury incurred as a direct result of an armed conflict; while engaged in hazardous service; in the performance of duty under conditions simulating war; or, through an instrumentality of war.
2. The Military Departments are directed to refund any subsistence charge amount previously paid by a Service member who was hospitalized for the conditions in paragraph (1) above, on or after September 11, 2001, and waive the recovery of any unpaid amount for which a member had previously been charged.

I request a report on your implementation of this guidance within 90 days from the date of this memorandum.

This letter supercedes the letter "Subsistence Reimbursement for Hospitalized Service Members", dated December 8, 2003 (attached).

My point of contact on this issue is Lt Col Jeanne Yoder, who can be reached at (703) 681-3492, ext. 4068 or by email at *Jeanne.yoder@tma.osd.mil*.

A handwritten signature in black ink, reading "William Winkenwerder, Jr." with a stylized flourish at the end.

William Winkenwerder, Jr., MD

Attachment:  
As stated



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE  
HEALTH AFFAIRS  
SKYLINE FIVE, SUITE 810, 5111 LEESBURG PIKE  
FALLS CHURCH, VIRGINIA 22041-3206

**ACTION MEMO**

TRICARE  
MANAGEMENT  
ACTIVITY

May 3, 2006; 9:00 AM

FOR: ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS)

FROM: John L. Kokulis, Chief Financial Officer, TMA *JL 5/23/06*

SUBJECT: Implementation of Enhancements to Exemption for Members with Combat-Related Injuries from the Requirement for Payment of Subsistence Charges while Hospitalized

- Memorandum to the Service Secretaries (M&RA) provides guidance on a provision of the Fiscal Year 2004 Department of Defense Authorization Act, (Public Law 108-106) addressing exemption of subsistence charges for certain members of the uniformed services. (TAB A)
- Public Law 108-106, Section 1112 of the Emergency Supplemental Appropriations Act for Defense and the Reconstruction of Iraq and Afghanistan, exempts individuals with combat injuries from paying subsistence charges when hospitalized on or after September 11, 2001. (TAB B)
- This memo supercedes the memo "Subsistence Reimbursement for Hospitalized Service Members" (TAB C) dated 8 December 2004, which indicated that TMA would develop DoD policy to implement the program. It was determined that TMA could not develop individual Service policies as each Service has its own unique finance and accounting system.
- Memo requests an implementation plan for supporting this program.

RECOMMENDATION: That the ASD (HA) sign the memorandum to the Assistant Secretaries of the Services (M&RA)

COORDINATION: TAB D

Attachments:  
As stated

Prepared by: Lt Col Jeanne Yoder, Program Manager UBO, TMA-OCFO (MC&FS)  
(703) 681-3492, PC Docs# 106218, 106219

SEC. 1109. In addition to amounts made available elsewhere in this Act, there is hereby appropriated to the Department of Defense \$313,000,000, to be used only for recovery and repair of damage due to natural disasters including Hurricane Isabel, to be distributed as follows:

“Operation and Maintenance, Army”, \$47,100,000;  
 “Operation and Maintenance, Navy”, \$87,600,000;  
 “Operation and Maintenance, Marine Corps”, \$6,700,000;  
 “Operation and Maintenance, Air Force”, \$169,300,000; and  
 “Other Procurement, Air Force”, \$2,300,000.

SEC. 1110. During the current fiscal year, from funds made available in this Act to the Department of Defense for operation and maintenance, not to exceed \$180,000,000 may be used, notwithstanding any other provision of law, to fund the Commander’s Emergency Response Program, established by the Administrator of the Coalition Provisional Authority for the purpose of enabling military commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the Iraqi people, and to establish and fund a similar program to assist the people of Afghanistan: *Provided*, That the Secretary of Defense shall provide quarterly reports, beginning on January 15, 2004, to the congressional defense committees regarding the source of funds and the allocation and use of funds made available pursuant to the authority provided in this section.

Reports.

SEC. 1111. Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report describing an Analysis of Alternatives for replacing the capabilities of the existing Air Force fleet of KC-135 tanker aircraft.

Deadline.  
 Reports.

ENHANCEMENTS TO EXEMPTION FOR MEMBERS WITH COMBAT-RELATED INJURIES FROM REQUIREMENT FOR PAYMENT OF SUBSISTENCE CHARGES WHILE HOSPITALIZED

SEC. 1112. (a) EXEMPTION MADE PERMANENT.—Subsection (c) of section 1075 of title 10, United States Code (as added by section 8146(a)(2) of the Department of Defense Appropriations Act, 2004 (Public Law 108-87)), is repealed.

Ante, p. 1109.

(b) RETROACTIVITY.—Subsection (b) of section 8146 of the Department of Defense Appropriations Act, 2004 (Public Law 108-87), is amended to read as follows:

Ante, p. 1109.  
 Applicability.

“(b) EFFECTIVE DATE.—(1) Subsection (b)(2) of section 1075 of title 10, United States Code, as added by subsection (a), shall apply with respect to any period of hospitalization on or after September 11, 2001, because of an injury covered by that subsection that is incurred on or after that date.

“(2) The Secretary concerned (as defined in section 101 of title 37, United States Code) shall take such action as necessary to implement paragraph (1), including—

“(A) refunding any amount previously paid under section 1075 of title 10, United States Code, by a person who, by reason of paragraph (1), is not required to make such payment; and

“(B) waiving recovery of any unpaid amount for which a person has previously been charged under that section and which that person, by reason of paragraph (1), is not required to pay.”



HEALTH AFFAIRS

THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-1200

DEC 8 2001

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (M&RA)  
ASSISTANT SECRETARY OF THE NAVY (M&RA)  
ASSISTANT SECRETARY OF THE AIR FORCE (M&RA)  
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING  
SERVICE

SUBJECT: Subsistence Reimbursement for Hospitalized Service Members

Section 1112 of the Emergency Supplemental Appropriations Act for Defense and the Reconstruction of Iraq and Afghanistan, 2004 (Pub. L. 108-106) amended section 8146 of the Department of Defense Appropriations Act, 2004 (Pub. L. 108-87) which had amended section 1075 of title 10, United States Code. The result is as follows:

1. The exemption from subsistence charges for members of the uniformed services hospitalized *on or after 11 September 2001* due to an injury incurred as a direct result of an armed conflict; while engaged in hazardous service; in the performance of duty under conditions simulating war; or, through an instrumentality of war.
2. The Military Departments are directed to refund any subsistence charge amount previously paid by a Service member who was hospitalized for the conditions in paragraph (1) above, on or after 11 September 2001, and waive the recovery of any unpaid amount for which a member had previously been charged.

The Office of the Assistant Secretary of Defense for Health Affairs (OASD(HA)) and the TRICARE Management Activity (TMA) are developing the DoD policy to implement the subsistence charge exemption and reimbursement procedures in accordance with these statutory changes. I request that each Military Department and the Defense Finance and Accounting Service appoint a representative to participate in this policy development. Please forward the name and contact information of your representative to my point of contact.

Until the policy is finalized, the Military Departments are directed to implement the following interim measures:

1. Continue subsistence charge collections for all hospitalized Service members for whom subsistence charge payments are still required by law.
2. Hold subsistence charge reimbursements until implementation procedures are issued from OASD (HA)/TMA.
3. Direct your respective military treatment facilities (MTFs) to maintain a list of Service members who present to their facility to request reimbursement for a hospitalization that occurred on or after 11 September 2001. MTFs should obtain members' contact information in order to ensure follow up once the final reimburse policy and procedures have been issued by this office.

My point of contact for this issue is Major JoAnn Kelsch, TMA Uniform Business Office Program Manager. She can be reached at (703) 681-3492, extension 4068, or by email at [joann.kelsch@tma.osd.mil](mailto:joann.kelsch@tma.osd.mil).

  
William Winkenwerder, Jr., MB

cc:

Surgeons General

Resource Manager Directors, Office of the Surgeons General

Uniform Business Office Program Managers, Office of the Surgeons General